

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 562**

Introduced by Adams, 24; Carlson, 38; Flood, 19; Friend, 10; Mines,  
18

Read first time January 17, 2007

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to the Community Development Law; to amend  
2 sections 18-2101, 18-2103, 18-2107, 18-2111, 18-2116,  
3 18-2119, and 18-2130, Reissue Revised Statutes of  
4 Nebraska; to define terms; to change provisions relating  
5 to authorities, redevelopment plans, redevelopment  
6 contract proposals, bonds, occupation tax, and eminent  
7 domain as prescribed; to harmonize provisions; and to  
8 repeal the original sections.  
9 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 18-2101, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           18-2101 Sections 18-2101 to 18-2144 and sections 8 and 9  
4 of this act shall be known and cited as the Community Development  
5 Law.

6           Sec. 2. Section 18-2103, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8           18-2103 For purposes of the Community Development Law,  
9 unless the context otherwise requires:

10           (1) An authority ~~shall mean~~ means any community  
11 redevelopment authority created pursuant to section 18-2102.01 and  
12 a city or village which has created a community development agency  
13 pursuant to the provisions of section 18-2101.01 and ~~shall not mean~~  
14 does not include a limited community redevelopment authority;

15           (2) Limited community redevelopment authority ~~shall mean~~  
16 means a community redevelopment authority created pursuant to  
17 section 18-2102.01 having only one single specific limited pilot  
18 project authorized;

19           (3) City ~~shall mean~~ means any city or incorporated  
20 village in the state;

21           (4) Public body ~~shall mean~~ means the state or any  
22 municipality, county, township, board, commission, authority,  
23 district, or other political subdivision or public body of the  
24 state;

25           (5) Governing body or local governing body ~~shall mean~~

1 means the city council, board of trustees, or other legislative  
2 body charged with governing the municipality;

3 (6) Mayor ~~shall mean~~ means the mayor of the city or  
4 chairperson of the board of trustees of the village;

5 (7) Clerk ~~shall mean~~ means the clerk of the city or  
6 village;

7 (8) Federal government ~~shall mean~~ means the United  
8 States of America, or any agency or instrumentality, corporate  
9 or otherwise, of the United States of America;

10 (9) Area of operation ~~shall mean and include~~ means and  
11 includes the area within the corporate limits of the city and such  
12 land outside the city as may come within the purview of section  
13 18-2123;

14 (10) Substandard areas ~~shall mean~~ means an area in  
15 which there is a predominance of buildings or improvements,  
16 whether nonresidential or residential in character, which, by  
17 reason of dilapidation, deterioration, age or obsolescence,  
18 inadequate provision for ventilation, light, air, sanitation, or  
19 open spaces, high density of population and overcrowding, or  
20 the existence of conditions which endanger life or property by  
21 fire and other causes, or any combination of such factors, is  
22 conducive to ill health, transmission of disease, infant mortality,  
23 juvenile delinquency, and crime, (which cannot be remedied through  
24 construction of prisons), and is detrimental to the public health,  
25 safety, morals, or welfare;

1                   (11) Blighted area ~~shall mean~~ means an area, which  
2                   (a) by reason of the presence of a substantial number of  
3                   deteriorated or deteriorating structures, existence of defective  
4                   or inadequate street layout, faulty lot layout in relation to  
5                   size, adequacy, accessibility, or usefulness, insanitary or unsafe  
6                   conditions, deterioration of site or other improvements, diversity  
7                   of ownership, tax or special assessment delinquency exceeding the  
8                   fair value of the land, defective or unusual conditions of title,  
9                   improper subdivision or obsolete platting, or the existence of  
10                  conditions which endanger life or property by fire and other  
11                  causes, or any combination of such factors, substantially impairs  
12                  or arrests the sound growth of the community, retards the provision  
13                  of housing accommodations, or constitutes an economic or social  
14                  liability and is detrimental to the public health, safety, morals,  
15                  or welfare in its present condition and use and (b) in which there  
16                  is at least one of the following conditions: (i) Unemployment in  
17                  the designated area is at least one hundred twenty percent of the  
18                  state or national average; (ii) the average age of the residential  
19                  or commercial units in the area is at least forty years; (iii)  
20                  more than half of the plotted and subdivided property in an area  
21                  is unimproved land that has been within the city for forty years  
22                  and has remained unimproved during that time; (iv) the per capita  
23                  income of the area is lower than the average per capita income  
24                  of the city or village in which the area is designated; or (v)  
25                  the area has had either stable or decreasing population based

1 on the last two decennial censuses. In no event shall a city  
2 of the metropolitan, primary, or first class designate more than  
3 thirty-five percent of the city as blighted, a city of the second  
4 class shall not designate an area larger than fifty percent of the  
5 city as blighted, and a village shall not designate an area larger  
6 than one hundred percent of the village as blighted;

7 (12) Redevelopment project ~~shall mean~~ means any work  
8 or undertaking in one or more community redevelopment areas: (a)  
9 To acquire substandard and blighted areas or portions thereof,  
10 including lands, structures, or improvements the acquisition  
11 of which is necessary or incidental to the proper clearance,  
12 development, or redevelopment of such substandard and blighted  
13 areas; (b) to clear any such areas by demolition or removal  
14 of existing buildings, structures, streets, utilities, or other  
15 improvements thereon and to install, construct, or reconstruct  
16 streets, utilities, parks, playgrounds, public spaces, public  
17 parking facilities, sidewalks or moving sidewalks, convention and  
18 civic centers, bus stop shelters, lighting, benches or other  
19 similar furniture, trash receptacles, shelters, skywalks and  
20 pedestrian and vehicular overpasses and underpasses, and any  
21 other necessary public improvements essential to the preparation  
22 of sites for uses in accordance with a redevelopment plan; (c)  
23 to sell, lease, or otherwise make available land in such areas  
24 for residential, recreational, commercial, industrial, or other  
25 uses, including parking or other facilities functionally related

1 or subordinate to such uses, or for public use or to retain such  
2 land for public use, in accordance with a redevelopment plan;  
3 and may also include the preparation of the redevelopment plan,  
4 the planning, survey, and other work incident to a redevelopment  
5 project and the preparation of all plans and arrangements for  
6 carrying out a redevelopment project; (d) to dispose of all real  
7 and personal property or any interest in such property, or assets,  
8 cash, or other funds held or used in connection with residential,  
9 recreational, commercial, industrial, or other uses, including  
10 parking or other facilities functionally related or subordinate to  
11 such uses, or any public use specified in a redevelopment plan or  
12 project, except that such disposition shall be at its fair value  
13 for uses in accordance with the redevelopment plan; (e) to acquire  
14 real property in a community redevelopment area which, under the  
15 redevelopment plan, is to be repaired or rehabilitated for dwelling  
16 use or related facilities, repair or rehabilitate the structures,  
17 and resell the property; and (f) to carry out plans for a program  
18 of voluntary or compulsory repair and rehabilitation of buildings  
19 or other improvements in accordance with the redevelopment plan;

20 (13) Redevelopment plan ~~shall mean~~ means a plan, as it  
21 exists from time to time for one or more community redevelopment  
22 areas, or for a redevelopment project, which ~~plan~~ (a) ~~shall conform~~  
23 conforms to the general plan for the municipality as a whole,  
24 and (b) ~~shall be~~ is sufficiently complete to indicate such land  
25 acquisition, demolition and removal of structures, redevelopment,

1 improvements, and rehabilitation as may be proposed to be carried  
2 out in the community redevelopment area, zoning and planning  
3 changes, if any, land uses, maximum densities, and building  
4 requirements;

5 (14) Redeveloper ~~shall mean~~ means any person,  
6 partnership, or public or private corporation or agency which ~~shall~~  
7 ~~enter or propose~~ enters or proposes to enter into a redevelopment  
8 contract;

9 (15) Redevelopment contract ~~shall mean~~ means a contract  
10 entered into between an authority and a redeveloper for the  
11 redevelopment of an area in conformity with a redevelopment plan;

12 (16) Real property ~~shall mean~~ means all lands, including  
13 improvements and fixtures thereon, and property of any nature  
14 appurtenant thereto, or used in connection therewith, and every  
15 estate, interest and right, legal or equitable, therein, including  
16 terms for years and liens by way of judgment, mortgage, or  
17 otherwise, and the indebtedness secured by such liens;

18 (17) Bonds ~~shall mean~~ means any bonds, including  
19 refunding bonds, notes, interim certificates, debentures, or other  
20 obligations issued pursuant to the Community Development Law;

21 (18) Obligee ~~shall mean~~ means any bondholder, agent, or  
22 trustee for any bondholder, or lessor demising to any authority,  
23 established pursuant to section 18-2102.01, property used in  
24 connection with a redevelopment project, or any assignee or  
25 assignees of such lessor's interest or any part thereof, and

1 the federal government when it is a party to any contract with such  
2 authority;

3 (19) Person ~~shall mean~~ means any individual, firm,  
4 partnership, limited liability company, corporation, company,  
5 association, joint-stock association, or body politic and ~~shall~~  
6 ~~include~~ includes any trustee, receiver, assignee, or other similar  
7 representative thereof;

8 (20) Community redevelopment area ~~shall mean~~ means a  
9 substandard and blighted area which the community redevelopment  
10 authority designates as appropriate for a renewal project; and

11 (21) Redevelopment project valuation ~~shall mean~~ means  
12 the valuation for assessment of the taxable real property in a  
13 redevelopment project last certified for the year prior to the  
14 effective date of the provision authorized in section 18-2147; -

15 (22) Enhanced employment area means an area not exceeding  
16 six hundred acres (a) within a community redevelopment area which  
17 is designated by an authority as eligible for the imposition of an  
18 occupation tax or (b) not within a community redevelopment area as  
19 may be designated under section 10 of this act;

20 (23) Employee means a person employed at a new business  
21 as a result of a redevelopment project;

22 (24) Employer-provided health insurance means an  
23 employer-sponsored or employer-supported health insurance plan  
24 that is at least equivalent to the average health insurance plan  
25 available through private employers in the respective city, both as

1 to the benefits provided and the share of the cost that is paid  
2 by the employer;

3 (25) Equivalent employees means the number of employees  
4 computed by (a) dividing the total hours paid in a year by (b) the  
5 product of forty times the number of weeks in a year;

6 (26) New business means any private business located in  
7 an enhanced employment area that was not previously located in such  
8 enhanced employment area;

9 (27) New investment means the value of improvements to  
10 real estate made in an enhanced employment area by a developer or a  
11 new business;

12 (28) Number of new employees means the number of  
13 equivalent employees that are employed at a new business as a  
14 result of the redevelopment project during a year that are in  
15 excess of the number of equivalent employees during the year  
16 immediately prior to the year that a redevelopment plan is adopted;

17 (29) Qualifying wage means:

18 (a) For a project with new investment less than  
19 five million dollars, the qualifying wage is equal to that in  
20 subdivision (1)(b) of section 77-27,188;

21 (b) For projects with new investment of five million  
22 dollars but less than ten million dollars, the qualifying wage is  
23 equal to one dollar and fifty cents plus the wage in subdivision  
24 (1)(b) of section 77-27,188;

25 (c) For projects with new investment of ten million

1 dollars but less than twenty million dollars, the qualifying wage  
2 is equal to three dollars plus the wage in subdivision (1)(b) of  
3 section 77-27,188; and

4 (d) For projects with new investment of twenty million  
5 dollars or greater the qualifying wage is equal to four dollars  
6 and fifty cents plus the wage in subdivision (1)(b) of section  
7 77-27,188; and

8 (30) Occupation tax means a tax imposed under section 8  
9 of this act.

10 Sec. 3. Section 18-2107, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12 18-2107 An authority shall constitute a public body  
13 corporate and politic, exercising public and essential governmental  
14 functions and having all the powers necessary or convenient  
15 to carry out and effectuate the purposes and provisions of  
16 the Community Development Law and sections 18-2147 to 18-2151,  
17 including the power:

18 (1) To sue and to be sued; to have a seal and to alter  
19 the same at pleasure; to have perpetual succession; to make and  
20 execute contracts and other instruments necessary or convenient to  
21 the exercise of the powers of the authority; and to make and from  
22 time to time amend and repeal bylaws, rules, and regulations not  
23 inconsistent with the Community Development Law;

24 (2) To prepare or cause to be prepared and recommend  
25 redevelopment plans to the governing body of the city and to

1 undertake and carry out redevelopment projects within its area of  
2 operation;

3 (3) To arrange or contract for the furnishing or  
4 repair, by any person or agency, public or private, of services,  
5 privileges, works, streets, roads, public utilities, or other  
6 facilities for or in connection with a redevelopment project; and,  
7 notwithstanding anything to the contrary contained in the Community  
8 Development Law or any other provision of law, to agree to any  
9 conditions that it may deem reasonable and appropriate attached to  
10 federal financial assistance and imposed pursuant to federal law  
11 relating to the determination of prevailing salaries or wages or  
12 compliance with labor standards, in the undertaking or carrying out  
13 of a redevelopment project, and to include in any contract let in  
14 connection with such a project provisions to fulfill such federally  
15 imposed conditions as it may deem reasonable and appropriate;

16 (4) Within its area of operation, to purchase, lease,  
17 obtain options upon, or acquire by gift, grant, bequest, devise,  
18 eminent domain, or otherwise any real or personal property or any  
19 interest therein, together with any improvements thereon, necessary  
20 or incidental to a redevelopment project; to hold, improve, clear,  
21 or prepare for redevelopment any such property; to sell, lease  
22 for a term not exceeding ninety-nine years, exchange, transfer,  
23 assign, subdivide, retain for its own use, mortgage, pledge,  
24 hypothecate, or otherwise encumber or dispose of any real or  
25 personal property or any interest therein; to enter into contracts

1 with redevelopers of property containing covenants, restrictions,  
2 and conditions regarding the use of such property for residential,  
3 commercial, industrial, or recreational purposes or for public  
4 purposes in accordance with the redevelopment plan and such other  
5 covenants, restrictions, and conditions as the authority may deem  
6 necessary to prevent a recurrence of substandard and blighted  
7 areas or to effectuate the purposes of the Community Development  
8 Law; to make any of the covenants, restrictions, or conditions  
9 of the foregoing contracts covenants running with the land and to  
10 provide appropriate remedies for any breach of any such covenants  
11 or conditions, including the right in the authority to terminate  
12 such contracts and any interest in the property created pursuant  
13 thereto; to borrow money, issue bonds, and provide security for  
14 loans or bonds; to establish a revolving loan fund; to insure  
15 or provide for the insurance of any real or personal property  
16 or the operation of the authority against any risks or hazards,  
17 including the power to pay premiums on any such insurance; to  
18 enter into any contracts necessary to effectuate the purposes of  
19 the Community Development Law; and to provide grants, loans, or  
20 other means of financing to public or private parties in order to  
21 accomplish the rehabilitation or redevelopment in accordance with  
22 a redevelopment plan. No statutory provision with respect to the  
23 acquisition, clearance, or disposition of property by other public  
24 bodies shall restrict an authority exercising powers hereunder, in  
25 such functions, unless the Legislature shall specifically so state;

1           (5) To invest any funds held in reserves or sinking funds  
2 or any funds not required for immediate disbursement in property  
3 or securities in which savings banks or other banks may legally  
4 invest funds subject to their control; and to redeem its bonds at  
5 the redemption price established therein or to purchase its bonds  
6 at less than redemption price, and such bonds redeemed or purchased  
7 shall be canceled;

8           (6) To borrow money and to apply for and accept advances,  
9 loans, grants, contributions, and any other form of financial  
10 assistance from the federal government, from the state, county,  
11 municipality, or other public body, or from any sources, public  
12 or private, including charitable funds, foundations, corporations,  
13 trusts, or bequests, for purposes of the Community Development  
14 Law, to give such security as may be required, and to enter  
15 into and carry out contracts in connection therewith; and  
16 notwithstanding any other provision of law, to include in any  
17 contract for financial assistance with the federal government for a  
18 redevelopment project such conditions imposed pursuant to federal  
19 law as the authority may deem reasonable and appropriate and which  
20 are not inconsistent with the purposes of the Community Development  
21 Law;

22           (7) Acting through one or more members of an authority or  
23 other persons designated by the authority, to conduct examinations  
24 and investigations and to hear testimony and take proof under  
25 oath at public or private hearings on any matter material for its

1 information; to administer oaths and to issue commissions for the  
2 examination of witnesses who are outside of the state or unable to  
3 attend before the authority or excused from attendance; and to make  
4 available to appropriate agencies or public officials, including  
5 those charged with the duty of abating or requiring the correction  
6 of nuisances or like conditions, demolishing unsafe or insanitary  
7 structures, or eliminating conditions of blight within its area  
8 of operation, its findings and recommendations with regard to any  
9 building or property where conditions exist which are dangerous to  
10 the public health, safety, morals, or welfare;

11 (8) Within its area of operation, to make or have made  
12 all surveys, appraisals, studies, and plans, but not including the  
13 preparation of a general plan for the community, necessary to the  
14 carrying out of the purposes of the Community Development Law and  
15 to contract or cooperate with any and all persons or agencies,  
16 public or private, in the making and carrying out of such surveys,  
17 appraisals, studies, and plans;

18 (9) To prepare plans and provide reasonable assistance  
19 for the relocation of families, business concerns, and others  
20 displaced from a redevelopment project area to permit the carrying  
21 out of the redevelopment project to the extent essential for  
22 acquiring possession of and clearing such area or parts thereof;  
23 and to make relocation payments to or with respect to such persons  
24 for moving expenses and losses of property for which reimbursement  
25 or compensation is not otherwise made, including the making of such

1 payments financed by the federal government;

2 (10) To make such expenditures as may be necessary to  
3 carry out the purposes of the Community Development Law; and to  
4 make expenditures from funds obtained from the federal government  
5 without regard to any other laws pertaining to the making and  
6 approval of appropriations and expenditures;

7 (11) To certify on or before September 20 of each year to  
8 the governing body of the city the amount of tax to be levied for  
9 the succeeding fiscal year for community redevelopment purposes,  
10 not to exceed two and six-tenths cents on each one hundred dollars  
11 upon the taxable value of the taxable property in such city, which  
12 levy is subject to allocation under section 77-3443 on and after  
13 July 1, 1998. The governing body shall levy and collect the taxes  
14 so certified at the same time and in the same manner as other city  
15 taxes are levied and collected, and the proceeds of such taxes,  
16 when due and as collected, shall be set aside and deposited in the  
17 special account or accounts in which other revenue of the authority  
18 is deposited. Such proceeds shall be employed to assist in the  
19 defraying of any expenses of redevelopment plans and projects,  
20 including the payment of principal and interest on any bonds issued  
21 to pay the costs of any such plans and projects;

22 (12) To exercise all or any part or combination of powers  
23 granted in this section; and

24 (13) To plan, undertake, and carry out neighborhood  
25 development programs consisting of redevelopment project

1 undertakings and activities in one or more community redevelopment  
2 areas which are planned and carried out on the basis of annual  
3 increments in accordance with the Community Development Law  
4 and sections 18-2145 and 18-2146 for planning and carrying out  
5 redevelopment projects; and -

6 (14) To agree with the governing body of the city for the  
7 imposition of an occupation tax for an enhanced employment area.

8 Sec. 4. Section 18-2111, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10 18-2111 The authority may itself prepare or cause to be  
11 prepared a redevelopment plan or any person or agency, public or  
12 private, may submit such a plan to an authority. A redevelopment  
13 plan shall be sufficiently complete to indicate its relationship to  
14 definite local objectives as to appropriate land uses, improved  
15 traffic, public transportation, public utilities, recreational  
16 and community facilities and other public improvements, and the  
17 proposed land uses and building requirements in the redevelopment  
18 project area, and shall include without being limited to: (1) The  
19 boundaries of the redevelopment project area, with a map showing  
20 the existing uses and condition of the real property therein; (2)  
21 a land-use plan showing proposed uses of the area; (3) information  
22 showing the standards of population densities, land coverage,  
23 and building intensities in the area after redevelopment; (4) a  
24 statement of the proposed changes, if any, in zoning ordinances or  
25 maps, street layouts, street levels or grades, or building codes

1 and ordinances; (5) a site plan of the area; and (6) a statement as  
2 to the kind and number of additional public facilities or utilities  
3 which will be required to support the new land uses in the area  
4 after redevelopment. Any redevelopment plan may include a proposal  
5 for the designation of an enhanced employment area.

6 Sec. 5. Section 18-2116, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8 18-2116 (1) Following such hearing, the governing body  
9 may approve a redevelopment plan if ~~(1)~~ (a) it finds that the  
10 plan is feasible and in conformity with the general plan for  
11 the development of the city as a whole and the plan is in  
12 conformity with the legislative declarations and determinations  
13 set forth in the Community Development Law and ~~(2)~~ (b) it finds  
14 that, if the plan uses funds authorized in section 18-2147,  
15 ~~(a)~~ (i) the redevelopment project in the plan would not be  
16 economically feasible without the use of tax-increment financing,  
17 ~~(b)~~ (ii) the redevelopment project would not occur in the community  
18 redevelopment area without the use of tax-increment financing,  
19 and ~~(c)~~ (iii) the costs and benefits of the redevelopment  
20 project, including costs and benefits to other affected political  
21 subdivisions, the economy of the community, and the demand for  
22 public and private services have been analyzed by the governing  
23 body and have been found to be in the long-term best interest of  
24 the community impacted by the redevelopment project.

25 (2) In connection with the approval of any redevelopment

1 plan which includes the designation of an enhanced employment  
2 area, the governing body may approve the redevelopment plan if it  
3 determines that (a) the project will result in at least twenty  
4 new employees for a project with new investment less than five  
5 million dollars, thirty-five new employees for a project with  
6 new investment of five million dollars but less than ten million  
7 dollars, fifty new employees for a project with new investment  
8 of ten million dollars but less than twenty million dollars, and  
9 sixty-five new employees for a project with new investment of  
10 twenty million dollars or more, (b) a majority of the new employees  
11 will be eligible for employer-provided health insurance, and (c)  
12 new employees meet or exceed the qualifying wage for the project.  
13 In making such determination, the governing body may rely upon  
14 written undertakings provided by any redeveloper in connection with  
15 application for approval of the redevelopment plan.

16           Sec. 6. Section 18-2119, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18           18-2119 (1) An authority shall, by public notice by  
19 publication once each week for two consecutive weeks in a legal  
20 newspaper having a general circulation in the city, prior to  
21 the consideration of any redevelopment contract proposal relating  
22 to real estate owned or to be owned by the authority, invite  
23 proposals from, and make available all pertinent information to  
24 private redevelopers or any persons interested in undertaking the  
25 redevelopment of an area, or any part thereof, which the governing

1 body has declared to be in need of redevelopment. Such notice shall  
2 identify the area, and shall state that such further information  
3 as is available may be obtained at the office of the authority.  
4 The authority shall consider all redevelopment proposals and the  
5 financial and legal ability of the prospective redevelopers to  
6 carry out their proposals and may negotiate with any redevelopers  
7 for proposals for the purchase or lease of any real property  
8 in the redevelopment project area. The authority may accept such  
9 redevelopment contract proposal as it deems to be in the public  
10 interest and in furtherance of the purposes of sections 18-2101  
11 to 18-2144, ~~PROVIDED, that~~ if the authority has, not less than  
12 thirty days prior thereto, notified the governing body in writing  
13 of its intention to accept such redevelopment contract proposal.  
14 Thereafter, the authority may execute such redevelopment contract  
15 in accordance with the provisions of section 18-2118 and deliver  
16 deeds, leases, and other instruments and take all steps necessary  
17 to effectuate such redevelopment contract. In its discretion, the  
18 authority may, without regard to the foregoing provisions of this  
19 section, dispose of real property in a redevelopment project area  
20 to private redevelopers for redevelopment under such reasonable  
21 competitive bidding procedures as it shall prescribe, subject to  
22 the provisions of section 18-2118.

23 (2) In the case of any real estate owned by a  
24 redeveloper, the authority may enter into a redevelopment contract  
25 providing for such undertakings as the authority shall determine

1 appropriate. Any such redevelopment contract relating to real  
2 estate within an enhanced employment area shall include a statement  
3 of the redeveloper's consent with respect to the designation of the  
4 area as an enhanced employment area, shall be recorded with respect  
5 to the real estate owned by the redeveloper, and shall be binding  
6 upon all future owners of such real estate.

7           Sec. 7. Section 18-2130, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9           18-2130 In connection with the issuance of bonds or the  
10 incurring of obligations under leases and in order to secure the  
11 payment of such bonds or obligations, an authority, in addition to  
12 its other powers, shall have power: (1) To pledge all or any part  
13 of its gross or net rents, fees, or revenue to which its right  
14 then exists or may thereafter come into existence; (2) to mortgage  
15 all or any part of its real or personal property, then owned or  
16 thereafter acquired; (3) to covenant against pledging all or any  
17 part of its rents, fees, and revenue, or against mortgaging all or  
18 any part of its real or personal property, to which its right or  
19 title then exists or may thereafter come into existence, or against  
20 permitting or suffering any lien on such revenue or property; to  
21 covenant with respect to limitations on its right to sell, lease,  
22 or otherwise dispose of any redevelopment project, or any part  
23 thereof; and to covenant as to what other or additional debts  
24 or obligations may be incurred by it; (4) to covenant as to the  
25 bonds to be issued and as to the issuance of such bonds in escrow

1 or otherwise, and as to the use and disposition of the proceeds  
2 thereof; to provide for the replacement of lost, destroyed, or  
3 mutilated bonds; to covenant against extending the time for the  
4 payment of its bonds or interest thereon; and to covenant for the  
5 redemption of the bonds and to provide the terms and conditions  
6 thereof; (5) to covenant, subject to the limitations contained in  
7 sections 18-2101 to 18-2144, as to the amount of revenue to be  
8 raised each year or other period of time by rents, fees, and other  
9 revenue, and as to the use and disposition to be made thereof; to  
10 establish or to authorize the establishment of special funds for  
11 money held for operating costs, debt service, reserves, or other  
12 purposes, and to covenant as to the use and disposition of the  
13 money held in such funds; (6) to prescribe the procedure, if any,  
14 by which the terms of any contract with bondholders may be amended  
15 or abrogated, the amount of bonds the holders of which must consent  
16 thereto and the manner in which such consent may be given; (7)  
17 to covenant as to the use, maintenance, and replacement of any or  
18 all of its real or personal property, the insurance to be carried  
19 thereon, and the use and disposition of insurance money, and to  
20 warrant its title to such property; (8) to covenant as to the  
21 rights, liabilities, powers, and duties arising upon the breach by  
22 it of any covenants, conditions, or obligations; and to covenant  
23 and prescribe as to events of default and terms and conditions  
24 upon which any or all of its bonds or obligations shall become  
25 or may be declared due before maturity, and as to the terms and

1 conditions upon which such declaration and its consequences may be  
2 waived; (9) to vest in any obligees of the authority the right  
3 to enforce the payment of the bonds or any covenants securing or  
4 relating to the bonds; to vest in any obligee or obligees holding a  
5 specified amount in bonds the right, in the event of a default by  
6 said authority, to take possession of and use, operate, and manage  
7 any redevelopment project or any part thereof, title to which is  
8 in the authority, or any funds connected therewith, and to collect  
9 the rents and revenue arising therefrom and to dispose of such  
10 money in accordance with the agreement of the authority with such  
11 obligees; to provide for the powers and duties of such obligees  
12 and to limit the liabilities thereof; and to provide the terms and  
13 conditions upon which such obligees may enforce any covenant or  
14 rights securing or relating to the bonds; ~~and~~ (10) to pledge all of  
15 the revenue from any occupation tax received or to be received with  
16 respect to any enhanced employment area; and (11) to exercise all  
17 or any part or combination of the powers herein granted; to make  
18 such covenants, other than and in addition to the covenants herein  
19 expressly authorized, and to do any and all such acts and things  
20 as may be necessary or convenient or desirable in order to secure  
21 its bonds, or, in the absolute discretion of the authority, as will  
22 tend to make the bonds more marketable notwithstanding that such  
23 covenants, acts or things may not be enumerated herein.

24           Sec. 8. A city may levy a general business occupation  
25 tax upon the businesses and users of space within an enhanced

1 employment area for the purpose of paying all or any part  
2 of the costs and expenses of any redevelopment project within  
3 such enhanced employment area. For purposes of the tax imposed  
4 under this section, the governing body may make a reasonable  
5 classification of businesses, users of space, or kinds of  
6 transactions. The collection of a tax imposed pursuant to this  
7 section shall be made and enforced in such a manner as the  
8 governing body shall by ordinance determine to produce the required  
9 revenue. The governing body may provide that failure to pay the  
10 tax imposed pursuant to this section shall constitute a violation  
11 of the ordinance and subject the violator to a fine or other  
12 punishment as provided by ordinance. Any such occupation tax agreed  
13 to by the authority and the city shall remain in effect so long as  
14 the authority has bonds outstanding which have been issued stating  
15 such occupation tax as an available source for payment.

16           Sec. 9. Eminent domain shall not be used to acquire  
17 property that will be transferred to a private party in the  
18 enhanced employment area.

19           Sec. 10. If an area is not blighted or substandard, a  
20 city may levy a general business occupation tax upon the businesses  
21 and users of space within an enhanced employment area for the  
22 purpose of paying all or any part of the costs and expenses of  
23 any purpose enumerated in section 19-4019 within such enhanced  
24 employment area. For purposes of the tax imposed under this  
25 section, the governing body may make a reasonable classification

1 of businesses, users of space, or kinds of transactions. The  
2 collection of a tax imposed pursuant to this section shall be  
3 made and enforced in such a manner as the governing body shall by  
4 ordinance determine to produce the required revenue. The governing  
5 body may provide that failure to pay the tax imposed pursuant to  
6 this section shall constitute a violation of the ordinance and  
7 subject the violator to a fine or other punishment as provided by  
8 ordinance. Any such occupation tax agreed to by the authority and  
9 the city shall remain in effect so long as the authority has bonds  
10 outstanding which have been issued stating such occupation tax as  
11 an available source for payment. The total amount of occupation  
12 taxes levied shall not exceed the total costs and expenses of  
13 performing the authorized work. The assessments or taxes levied  
14 must be specified in the ordinances and the proceeds shall not be  
15 used for any other purpose.

16           Sec. 11. Original sections 18-2101, 18-2103, 18-2107,  
17 18-2111, 18-2116, 18-2119, and 18-2130, Reissue Revised Statutes of  
18 Nebraska, are repealed.